

On **Friday, November 14, 2008, at 10:00 a.m. in Rayburn House Office Building, Room 2154,** the Subcommittee will hold a hearing entitled, “Is Treasury Using Bailout Funds to Increase Foreclosure Prevention, as Congress Intended?” This will be the Subcommittee’s sixth hearing in the 110th Congress examining the foreclosure crisis and its solutions.

The purpose of this hearing is to assess Treasury’s use of and clarify their intentions for a \$700 billion fund, known as the Troubled Assets Relief Program (TARP). Congress established the TARP on October 3, 2008, and provided it with two sequential tranches of \$350 billion. One of TARP’s core functions is to prevent future foreclosures through the acquisition of mortgage-related assets, such as whole loans, mortgage-backed securities and other financial products, and the implementation of a plan to stem foreclosures on those loans. In creating TARP, Congress was aware of the efforts of the private mortgage servicing industry to prevent foreclosures, and committed an extraordinary sum of taxpayer funds to expand upon those efforts. In light of public statements by Treasury, and the department’s commitment of more than two-thirds of the first tranche to purposes other than foreclosure prevention, important oversight questions remain.

Hearing witnesses will be announced shortly.